A0400-1

The Aluminum Situation

Economics and Statistics — *September 1992*

Summary Domestic Shipments Up 7.0 Percent

Preliminary figures for seven months of 1992 indicate that total domestic shipments totaling 8,043 million pounds, increased 7.0 percent from the 1991 total of 7,517 million pounds. Total industry net shipments, totaling 9,583 million pounds, increased 3.7 percent from the 1991 total of 9,237 million pounds.

U.S. exports of aluminum ingot and mill products, totaled 1,539 million pounds during seven months, decreasing 10.5 percent from 1991 total of 1,720 million pounds. During the same period, U.S. imports totaling 1,996 million pounds, increased 11.9 percent from the 1991 total of 1,783 million pounds.

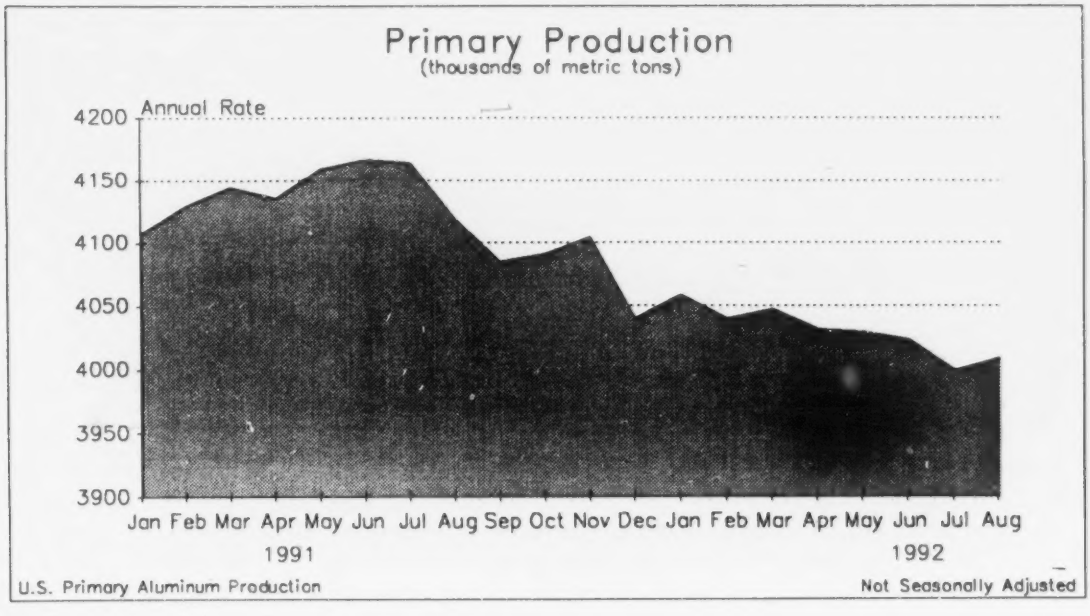
THRU JULY 1992

	1992 7 Mos.	1991 7 Mos.	% Change
Mill Products	7,913	7,276	8.8
Ingot	1,670	1,961	-14.9
Total	**9,583**	**9,237**	**3.7**
Less Exports	1,539	1,720	-10.5
Domestic Total	**8,043**	**7,517**	**7.0**

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

Production August Production Averages 10,955 Metric Tons Per Day

U.S. primary aluminum production averaged 10,955 metric tons daily during August 1992. This compares with an average of 11,286 metric tons a day in August 1991 and 10,928 metric tons a day in July 1992. The annual rate of production in August 1992 was 4,009,542 metric tons compared with 4,119,237 metric tons in August 1991 and 3,999,530 metric tons in July 1992. Production for the month of August 1992 totaled 339,606 metric tons.



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

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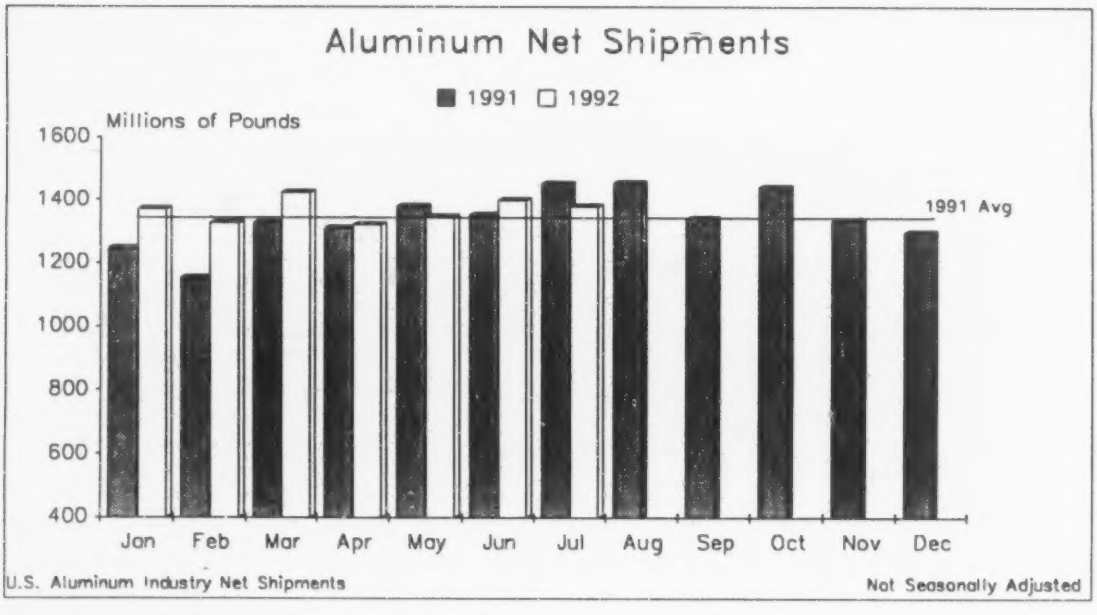
Shipments Industry Shipments Increase 3.7 Percent

According to Bureau of the Census reports, industry net shipments totaled 9,583 million pounds for seven months of 1992, an increase of 3.7 percent from the previous year's total of 9,237 million pounds. Shipments of aluminum mill products totaling 7,913 million pounds increased 8.8 percent over the 1991 total of 7,276 million pounds.

Excluding imports, shipments of sheet, plate and foil were reported at 5,296 million pounds, an increase of 9.0 percent from the previous year's total of 4,860 million pounds. Shipments of aluminum rod, bar and wire were reported at 196 million pounds, increased 24.2 percent from the 1991 total of 158 million pounds and shipments of extruded shapes and tube of 1,403 million pounds, increased 8.1 percent.



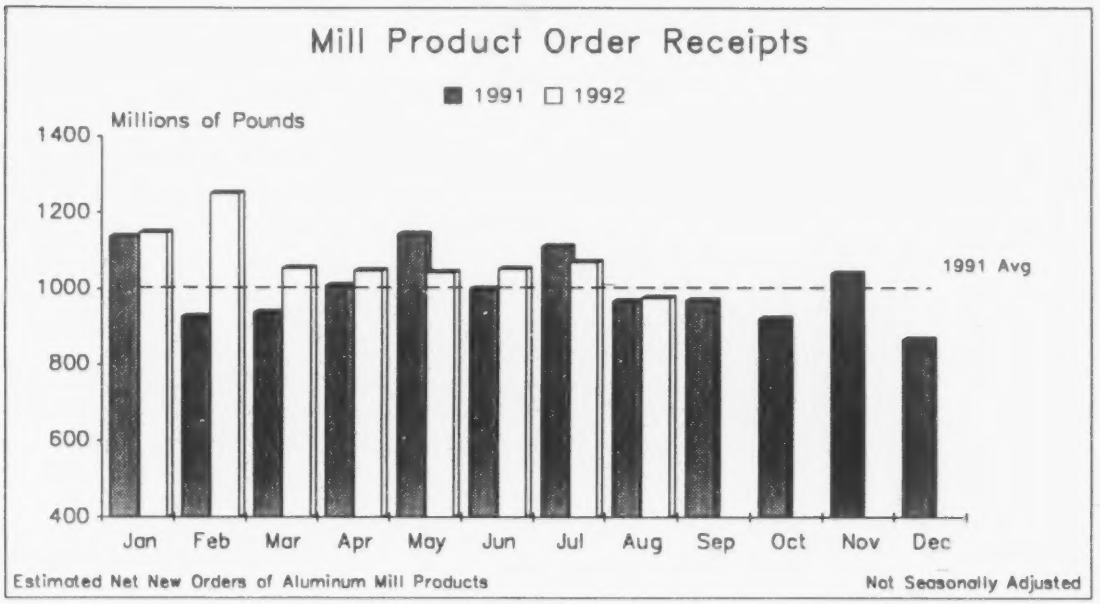
NET SHIPMENTS (Millions of Pounds)	1992 July	1991 July	1992 7 Mos.	1991 7 Mos.	% Change
Sheet	674.5	650.3	4,583.7	4,220.6	8.6
Plate	21.8	18.8	152.0	155.5	-2.2
Foil	75.9	69.9	560.4	483.7	15.9
Rod, Bar & Wire	23.6	23.7	195.7	157.6	24.2
Elec. Conductor	46.4	44.0	341.1	336.5	1.4
Extruded Shapes, Tube	198.3	202.3	1,403.4	1,298.2	8.1
Powder & Paste	7.5	8.9	50.7	56.6	-10.3
Forgings & Impacts	9.8	11.7	80.2	85.3	-6.0
Imports of Mill Products (Total) (a)	88.3	66.3	545.9	481.8	13.3
Total Mill Products	1,146.1	1,095.9	7,913.1	7,275.8	8.8
Ingot	236.5	357.2	1,669.6	1,961.3	-14.9
TOTAL INDUSTRY SHIPMENTS	**1,382.6**	**1,453.1**	**9,582.8**	**9,237.1**	**3.7**
Exports	225.8	265.3	1,539.3	1,720.4	-10.5
TOTAL DOMESTIC SHIPMENTS	**1,156.8**	**1,187.8**	**8,043.5**	**7,516.7**	**7.0**

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33D
Note: Cumulative data includes revisions for previous periods
(a) Not included in product data above.

Orders Industry Orders Up 5.1 Percent

Industry net new orders totaling 8,659 million pounds during eight months of 1992, increased 5.1 percent from the 1991 total of 8,242 million pounds. New orders of domestic can stock, totaling 2,953 million pounds, increased 2.7 percent and other sheet & plate, totaling 2,701 million pounds, 6.1 percent above previous year levels.

During the month of August, estimated net new order receipts of aluminum mill products totaling 978 million pounds, decreased 8.7 percent from the previous month's total of 1,072 million pounds.



ORDER RECEIPTS (Millions of Pounds)	1992 Aug	1991 Aug	1992 8 Mos.	1991 8 Mos.	% Change
Sheet & Plate, Other	312.8	315.4	2,701.1	2,545.0	6.1
Can Stock (a)	323.7	287.2	2,953.2	2,874.7	2.7
Foil	65.9	82.4	643.8	594.1	8.4
Bar, Rod & Wire	34.0	35.5	302.3	298.3	1.3
Electrical Conductor	45.8	51.0	401.5	366.0	9.7
Extruded Shapes & Tube	179.9	177.5	1,488.9	1,403.6	6.1
Powder & Paste	4.3	7.4	83.5	76.0	9.9
Forgings & Impacts	11.9	12.1	84.8	84.4	0.5
Total Mill Products	**978.3**	**968.5**	**8,659.1**	**8,242.1**	**5.1**

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis. Note: Cumulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

Inventories Producer Inventories Decrease 139 Million Pounds

Reported producer inventories for the month of July 1992, totaling 3,869 million pounds decreased 139 million pounds from the revised June total of 4,008 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

	Total	Ingot	Scrap	All Other
June	4,008r	1,409r	552r	2,046r
July	3,869	1,333	551	1,984

Source: Bureau of the Census, U.S. Department of Commerce.

LME U.S. Warehouse Inventories Increase 9,650 Metric Tons

According to published reports, London Metal Exchange inventories of aluminum in U.S. warehouses increased 9,650 metric tons (6.5 percent) to a total of 158,400 metric tons during the month of August 1992.

	Total U.S.	Bridgeport	Baltimore	Toledo	Long Beach	St. Louis	Chicago
July	148,750	-------	75,600	37,150	1,900	31,850	2,250
August	158,400	1,000	75,400	41,625	1,900	36,225	2,250

Source: American Metal Market.

Customer Inventories Reported at 32.1 Days

Respondents to the Association's Customer Inventory Survey reported 32.1 average days inventory as of June 30, 1992.

	Average Days Inventory
March	32.5
June	32.1

Imports and Exports

(Millions of Pounds)	1992 July	1991 July	1992 7 Mos.	1991 7 Mos.	% Change
Imports Mill Products	88.3	66.3	546.1	481.8	13.3
Ingot	183.2	215.0	1,450.0	1,301.3	11.4
Total	**271.5**	**281.4**	**1,996.1**	**1,783.1**	**11.9**
Scrap (+ dross)	50.4	48.4	373.0	279.2	33.6
Grand Total	321.9	329.8	2,369.1	2,062.3	14.9
Exports Mill Products	114.9	112.6	859.6	741.7	15.9
Ingot	110.9	152.7	679.2	978.8	-30.6
Total	**225.8**	**265.3**	**1,538.7**	**1,720.4**	**-10.6**
Scrap	52.0	75.9	377.0	728.7	-48.3
Grand Total	277.8	341.2	1,915.8	2,449.2	-21.8
Net Imports	**44.1**	**-11.5**	**453.3**	**-386.9**	**-217.2**

Source: Bureau of the Census, U.S. Department of Commerce.
Note: Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989